

DEPOSIT ACCOUNT CONTROL AGREEMENT

This Deposit Account Control Agreement ("Agreement"), dated as of _____, 200__, by and among California Housing Finance Agency, a public instrumentality and political subdivision of the State of California, with an address at 1121 L Street, Suite 300, Sacramento, CA 95814 ("Secured Party"); _____, a _____, with an address at _____ ("Debtor"); and _____ with an address at _____ ("Bank").

PREAMBLE:

1. Bank has established deposit account number _____ in the name of _____ ("Account").
2. Debtor has granted Secured Party a security interest in the Account.
3. Secured Party, Debtor and Bank are entering into this Agreement to perfect the security interest of Secured Party in the Account.

TERMS:

Section 1. The Account. All parties agree that the Account is a "deposit account" within the meaning of Article 9 of the Uniform Commercial Code of the State of California (the "UCC"). Bank has not and will not agree with any third party to comply with instructions or other directions concerning the Account or the disposition of funds in the Account originated by such third party without the prior written consent of Secured Party and Debtor.

Section 2. Subordination of Security Interest. Bank hereby subordinates all security interests, encumbrances, claims and rights of setoff it may have, now or in the future, against the Account or any funds in the Account other than in connection with the payment of Bank's customary fees and charges pursuant to its agreement with Debtor and for the reversal of provisional credits.

Section 3. Control. Bank will comply with instructions originated by Secured Party directing disposition of the funds in the Account without further consent by Debtor. Except as provided below, Bank will not permit the withdrawal or other disposition of any funds in the Account by Debtor without Secured Party's prior consent. Bank may also comply with instructions directing the disposition of funds in the Account originated by Debtor or its authorized representatives until such time as Secured Party delivers a written notice to Bank that Secured Party is thereby exercising exclusive control over the Account. Such notice is referred to herein as the "Notice of Exclusive Control." After Bank receives a Notice of Exclusive Control and has had reasonable opportunity to comply, it will cease complying with instructions concerning the Account or funds on deposit therein originated by Debtor or its representatives.

Section 4. Statements, Confirmations and Notices of Adverse Claims. Bank will send copies of all statements concerning the Account to Debtor and, upon written request, Secured Party at the address set forth in the heading of this Agreement. Upon receipt of written notice of

any lien, encumbrance or adverse claim against the Account or any funds credited thereto, Bank will make reasonable efforts promptly to notify Secured Party and Debtor thereof.

Section 5. Limited Responsibility of Bank. Except for acting on Debtor's instructions in violation of Section 3 above, Bank shall have no responsibility or liability to Secured Party for complying with instructions concerning the Account from Debtor or Debtor's authorized representatives which are received by Bank before Bank receives a Notice of Exclusive Control and has had reasonable opportunity to act on it. Bank shall have no responsibility or liability to Debtor for complying with a Notice of Exclusive Control or complying with instructions concerning the Account originated by Secured Party, and shall have no responsibility to investigate the appropriateness of any such instruction or Notice of Exclusive Control, even if Debtor notifies Bank that Secured Party is not legally entitled to originate any such instruction or Notice of Exclusive Control.

Section 6. Customer Agreement. In the event of a conflict between this Agreement and any other agreement between the Bank and the Debtor, the terms of this Agreement will prevail; provided, however, that this Agreement shall not alter or affect any mandatory arbitration provision currently in effect between Bank and Debtor pursuant to a separate agreement.

Section 7. Termination. This Agreement shall continue in effect until Secured Party has notified Bank in writing that this Agreement, or its security interest in the Account, is terminated. Upon receipt of such notice the obligations of Bank hereunder with respect to the operation and maintenance of the Account after the receipt of such notice shall terminate, Secured Party shall have no further right to originate instructions concerning the Account and any previous Notice of Exclusive Control delivered by Secured Party shall be deemed to be of no further force and effect.

Section 8. Complete Agreement. This Agreement and the instructions and notices required or permitted to be executed and delivered hereunder set forth the entire agreement of the parties with respect to the subject matter hereof, and, subject to Section 6 above supersede any prior agreement and contemporaneous oral agreements of the parties concerning its subject matter.

Section 9. Amendments. No amendment, modification or (except as otherwise specified in Section 7 above) termination of this Agreement, nor any assignment of any rights hereunder (except to the extent contemplated under Section 11 below), shall be binding on any party hereto unless it is in writing and is signed by each of the parties hereto, and any attempt to so amend, modify, terminate or assign except pursuant to such a writing shall be null and void. No waiver of any rights hereunder shall be binding on any party hereto unless such waiver is in writing and signed by the party against whom enforcement is sought.

Section 10. Severability. If any term or provision set forth in this Agreement shall be invalid or unenforceable, the remainder of this Agreement, other than those provisions held invalid or unenforceable, shall be construed in all respects as if such invalid or unenforceable term or provision were omitted.

Section 11. Successors. The terms of this Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective corporate successors or heirs and personal

representatives. This Agreement may be assigned by Secured Party to any successor of Secured Party under its security agreement with Debtor, provided that written notice thereof is given by Secured Party to Bank.

Section 12. Notices. Except as otherwise expressly provided herein, any notice, order, instruction, request or other communication required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given when delivered in person, or when sent by telecopy or other electronic means and electronic confirmation of error-free receipt is received or upon receipt of notice sent by certified or registered United States mail, return receipt requested, postage prepaid, addressed to the party at the address set forth next to such party's name at the heading of this Agreement. Any party may change its address for notices in the manner set forth above.

Section 13. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.

Section 14. Choice of Law. This Agreement shall be governed by and construed in accordance with the law of the State of California. The parties agree that California is the "bank's jurisdiction" for purposes of this Agreement and the UCC.

**CALIFORNIA HOUSING FINANCE
AGENCY, a public instrumentality and
political subdivision of the State of
California**

By: _____
Name: _____
Title: _____

DEBTOR:

By: _____
Name: _____
Title: _____

BANK:

By: _____
Name: _____
Title: _____